

## **REGULATION 2 - 4**

### **IMPOSITION OF TAX - NET BUSINESS PROFITS - NON-RESIDENT UNINCORPORATED BUSINESS ENTITIES**

1. In the case of a non-resident unincorporated business entity engaged in the conduct of any business, there is imposed an annual tax as provided in Regulation 1 - 1(P) of such business to the extent conducted in or derived from activity in Tiffin.
2. A non-resident unincorporated business entity which has a branch or branches, office or offices and/or store or stores, warehouse, or other place or places in which the entity's business is transacted, located in the City of Tiffin, shall be considered to be conducting a business to the full extent of the sum total of all transactions originating or consummated in, by or through such Tiffin branch, office, store, warehouse or other place of business, including (a) goods, chattels, merchandise, etc., sold, or (b) commissions, fees or other compensation earned or paid.
3. In the case of any unincorporated business entity owned by one or more persons the tax, generally, shall be upon said unincorporated business entity as a single entity and not ordinarily upon the partners or members thereof. However, the provisions of Regulation 2 - 3(3) are applicable to render taxable against such resident partners or members their distributive share of any profits of such non-resident entity not taxable under this Ordinance.
4. In determining the proportion or amount of the taxable net profits of a non-resident unincorporated business entity having a place or places of business within and outside the City of Tiffin, such business entity may at its option use and apply the Business Allocation Percentage formula set forth in Regulation 2 - 6. Net operating losses may not be carried forward or backward but must be allocated to the year realized.